



RICK SNYDER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS  
LANSING

SHELLY EDGERTON  
DIRECTOR

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]

Date Mailed: September 5, 2018  
MAHS Docket No.: 18-007619  
Agency No.: [REDACTED]  
Petitioner: [REDACTED]

**ADMINISTRATIVE LAW JUDGE:** John Markey

**HEARING DECISION**

Following Petitioner's request for a hearing, this matter is before the undersigned Administrative Law Judge pursuant to MCL 400.9 and 400.37; 7 CFR 273.15 to 273.18; 42 CFR 431.200 to 431.250; 42 CFR 438.400 to 438.424; 45 CFR 99.1 to 99.33; and 45 CFR 205.10; and Mich Admin Code, R 792.11002. After due notice, a telephone hearing was held on August 23, 2018, from Lansing, Michigan. Petitioner appeared and represented himself. The Department of Health and Human Services (Department), Respondent, was represented by Richkelle Curney, Hearings Facilitator. During the hearing, 31 pages of documents were offered and admitted as Exhibit A, pp. 1-31.

**ISSUE**

Did the Department properly close Petitioner's Food Assistance Program (FAP) benefit case as a result of Petitioner's group having excess net income?

**FINDINGS OF FACT**

The Administrative Law Judge, based on the competent, material, and substantial evidence on the whole record, finds as material fact:

1. Petitioner was an ongoing FAP recipient with a group size of three. Exhibit 1, pp. 29-31.
2. On May 4, 2018, the Department sent Petitioner a Redetermination, Form 1010, with a June 4, 2018, due date. Exhibit A, pp. 1-8.
3. On June 4, 2018, Petitioner returned the completed Redetermination. Exhibit A, pp. 1-8.

4. Based on Petitioner's net income, the Department concluded that Petitioner was not eligible for FAP benefits. Exhibit A, pp. 25-27.
5. On July 21, 2018, the Department issued Petitioner a Notice of Case Action informing Petitioner that his FAP case was closed, effective September 1, 2018, for having excess net income. Exhibit A, pp. 25-27.
6. Petitioner's group has earned income of [REDACTED] per month.
7. Petitioner has unearned income of [REDACTED] per month.
8. Petitioner has housing expenses of \$289.07 per month.
9. On July 19, 2018, Petitioner requested a hearing.

### **CONCLUSIONS OF LAW**

Department policies are contained in the Department of Health and Human Services Bridges Administrative Manual (BAM), Department of Health and Human Services Bridges Eligibility Manual (BEM), Department of Health and Human Services Reference Tables Manual (RFT), and Department of Health and Human Services Emergency Relief Manual (ERM).

The Food Assistance Program (FAP) [formerly known as the Food Stamp program] is established by the Food and Nutrition Act of 2008, as amended, 7 USC 2011 to 2036a and is implemented by the federal regulations contained in 7 CFR 273. The Department (formerly known as the Department of Human Services) administers FAP pursuant to MCL 400.10, the Social Welfare Act, MCL 400.1-.119b, and Mich Admin Code, R 400.3001-.3011.

In the present case, Petitioner has [REDACTED] in total income, of which [REDACTED] is earned income and [REDACTED] is unearned income. All of Petitioner's [REDACTED] in earned income is eligible for the earned income deduction of 20%, thus reducing Petitioner's total income to [REDACTED]. The standard deduction of \$154.00 for a FAP group of three was then taken out, resulting in adjusted gross income of [REDACTED].

Petitioner is not eligible for a deduction for child care, medical or child support expenses. Likewise, Petitioner is not eligible for the excess shelter deduction. The excess shelter deduction is calculated by adding Petitioner's \$289.00 in housing expenses and the \$537.00 heating and utility (h/u) standard for a total shelter amount of \$826.00. The excess shelter deduction is calculated by subtracting from the \$826.00 one half of the adjusted gross income, which is [REDACTED]. The remaining amount is the excess shelter deduction. In this case, the remaining amount is less than zero, so Petitioner is not eligible for the excess shelter deduction. Thus, Petitioner's net income is the same as Petitioner's adjusted gross income - [REDACTED].

The Food Assistant Issuance Table shows \$0.00 in benefits for [REDACTED] net income for a household of three. RFT 260 (October 1, 2017), p. 24. This is the amount determined by the Department and is correct. The Administrative Law Judge, based on the above Findings of Fact and Conclusions of Law, and for the reasons stated on the record, if any, finds that the Department acted in accordance with Department policy when it closed Petitioner's FAP case.

**DECISION AND ORDER**

Accordingly, the Department's decision is **AFFIRMED**.



JM/

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**John Markey**  
Administrative Law Judge  
for Nick Lyon, Director  
Department of Health and Human Services

**NOTICE OF APPEAL:** A party may appeal this Order in circuit court within 30 days of the receipt date. A copy of the circuit court appeal must be filed with the Michigan Administrative Hearing System (MAHS).

A party may request a rehearing or reconsideration of this Order if the request is received by MAHS within 30 days of the date the Order was issued. The party requesting a rehearing or reconsideration must provide the specific reasons for the request. MAHS will not review any response to a request for rehearing/reconsideration.

A written request may be mailed or faxed to MAHS. If submitted by fax, the written request must be faxed to (517) 763-0155; Attention: MAHS Rehearing/Reconsideration Request.

If submitted by mail, the written request must be addressed as follows:

Michigan Administrative Hearings  
Reconsideration/Rehearing Request  
P.O. Box 30639  
Lansing, Michigan 48909-8139

**DHHS**

Tara Roland 82-17  
8655 Greenfield  
Detroit, MI 48228

Wayne County (District 17), DHHS

BSC4 via electronic mail

M. Holden via electronic mail

D. Sweeney via electronic mail

**Petitioner**

[REDACTED]  
[REDACTED]  
[REDACTED] MI [REDACTED]